

Operating loss decreased 26 percent compared to the prior year, principally due to increased fertilizer and silver sales. A net profit was generated due primarily to accruing \$986,137 in non cash "gain on derivative instruments," as required by current accounting standards.

Results for the second quarter ended June 30, 2006, together with comparative figures for 2005 are summarized below:

ITRONICS INC.

	For the Quarter Ended June 30		For the 6 Months Ended June 30	
	2006	2005	2006	2005
REVENUE				
Fertilizer	\$660,206	\$484,664	\$900,275	\$695,898
Silver	\$88,397	\$19,115	\$160,742	\$45,874
Photo Services	\$17,960	\$19,888	\$37,357	\$42,069
Mining Technical Services	\$1,460	\$7,862	\$21,911	\$31,864
Total Revenues	\$768,023	\$531,529	\$1,120,285	\$815,705
Gross Profit (Loss)	\$139,811	\$10,670	\$133,046	(\$30,465)
Operating Income (Loss)	(\$449,934)	(\$609,281)	(\$1,008,331)	(\$1,351,462)
Other Income (Expense) (including interest)	(\$262,256)	(\$210,018)	(\$409,324)	(\$381,532)
Gain on Derivative Instruments (non cash item related to financing)	\$986,137	\$-0-	\$1,492,406	\$-0-
Net Income (Loss)	\$273,947	(\$819,389)	(\$5,249)	(\$1,732,994)
Net Income (Loss) Per Share	\$0.001	(\$0.004)	\$-0-	(\$0.009)
Average Weighted Outstanding Shares	213,590,000	192,661,000	206,315,000	183,628,000

Itronics, through its subsidiary, Itronics Metallurgical, Inc., is the only company in the world with a "Beneficial Use Photochemical, Silver, and Water Recycling" facility that extracts more than 99 percent of the silver and virtually all the other toxic heavy metals from used photoliquids and converts the resulting liquids into environmentally beneficial, chelated, multinutrient liquid fertilizer products sold under the GOLD'n GRO trademark, and 5 troy ounce, 0.999 pure, Silver Nevada Miner numismatic bars. The environmentally friendly liquid fertilizers can be used for lawns and houseplants, and are available, along with GOLD'n GRO liquid fertilizer injectors, at the Company's "e-store" catalog at <http://goldngro.com>. The popular Silver Nevada Miner bars are available at the Company's "e-store" catalog at <http://www.itromet.com>.

Headquartered in Reno, Nevada, Itronics Inc. is a Creative Environmental Technology company and a world leader in photochemical recycling. The Company also provides project planning and technical services to the mining industry and operates the global Gold Producing Stocks web site, <http://www.insidemetals.com>. Itronics was one of five finalists for the 2001 Kirkpatrick Chemical Engineering Award, the most prestigious worldwide award in chemical engineering technologies. Itronics was awarded second place, Highly Commended in the Environmental Technology category, at the prestigious Institution of Chemical Engineers (IChemE) 2005 Worldwide Environmental Award ceremonies at the Royal Courts of Justice in London, England in September 2005. Itronics was awarded the USA Gold Award at the House of Commons in London in November 2005 as part of the International Green Apple Environmental Awards contest, one of the largest and most prestigious of its kind in the world and the International